

# TITLE VI — ENERGY EFFICIENCY

## Subtitle A – Federal Programs

### SEC. 601. ENERGY MANAGEMENT REQUIREMENTS.

(a) ENERGY REDUCTION GOALS.—Section 543(a)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)(1)) is amended by striking “its Federal buildings so that” and all that follows through the end and inserting “the Federal buildings of the agency (including each industrial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in fiscal years 2004 through 2013 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in fiscal year 2000, by the percentage specified in the following table:

“Fiscal Year	Percentage reduction
2004 .....	2
2005 .....	4
2006 .....	6
2007 .....	8
2008 .....	10
2009 .....	12
2010 .....	14
2011 .....	16
2012 .....	18
2013 .....	20.”.

(b) EFFECTIVE DATE.— The energy reduction goals and baseline established in paragraph (1) of section 543(a) of the National Energy Conservation Policy Act, as amended by subsection (a) of this section, supersede all previous goals and baselines under such paragraph, and related reporting requirements.

(c) REVIEW OF ENERGY PERFORMANCE REQUIREMENTS.—Section 543(a) of the National Energy Conservation Policy Act (42 U.S.C. 8253(a)) is further amended by adding at the end the following:

“(3) Not later than December 31, 2011, the Secretary shall review the results of the implementation of the energy performance requirement established under paragraph (1) and submit to Congress recommendations concerning energy performance requirements for fiscal years 2014 through 2022.”.

(d) EXCLUSIONS.—Section 543(c)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8253(c)(1)) is amended by striking “An agency may exclude” and all that follows through the end and inserting—

“(A) An agency may exclude, from the energy performance requirement for a fiscal year established under subsection (a) and the energy management requirement established under subsection (b), any Federal building or collection of Federal buildings, if the head of the agency finds that—

“(i) compliance with those requirements would be impracticable;

“(ii) the agency has completed and submitted all federally required energy management reports;

“(iii) the agency has achieved compliance with the energy efficiency requirements of this Act, the Energy Policy Act of 1992, Executive Orders, and other Federal law; and

“(iv) the agency has implemented all practicable, life-cycle cost-effective

1 projects with respect to the Federal building or collection of Federal buildings to  
2 be excluded.

3 “(B) A finding of impracticability under subparagraph (A)(i) shall be based on—

4 “(i) the energy intensiveness of activities carried out in the Federal  
5 building or collection of Federal buildings; or

6 “(ii) the fact that the Federal building or collection of Federal buildings is  
7 used in the performance of a national security function.”.

8 (e) REVIEW BY SECRETARY.—Section 543(c)(2) of the National Energy Conservation  
9 Policy Act (42 U.S.C. 8253(c)(2)) is amended—

10 (1) by striking “impracticability standards” and inserting “standards for  
11 exclusion”; and

12 (2) by striking “a finding of impracticability” and inserting “the exclusion”.

13 (f) CRITERIA.—Section 543(c) of the National Energy Conservation Policy Act (42  
14 U.S.C. 8253(c)) is further amended by adding at the end the following:

15 “(3) Not later than 180 days after the date of enactment of this paragraph, the  
16 Secretary shall issue guidelines that establish criteria for exclusions under paragraph  
17 (1).”.

18 (g) RETENTION OF ENERGY SAVINGS.—Section 546 of the National Energy Conservation  
19 Policy Act (42 U.S.C. 8256) is amended by adding at the end the following new subsection:

20 “(e) RETENTION OF ENERGY SAVINGS.—An agency may retain any funds  
21 appropriated to that agency for energy expenditures, at buildings subject to the  
22 requirements of section 543(a) and (b), that are not made because of energy savings.  
23 Except as otherwise provided by law, such funds may be used only for energy efficiency  
24 or unconventional and renewable energy resources projects.”.

25 (h) REPORTS.—Section 548(b) of the National Energy Conservation Policy Act (42  
26 U.S.C. 8258(b)) is amended—

27 (1) in the subsection heading, by inserting “THE PRESIDENT AND” before  
28 “CONGRESS”; and

29 (2) by inserting “President and” before “Congress”.

30 (i) CONFORMING AMENDMENT.—Section 550(d) of the National Energy Conservation  
31 Policy Act (42 U.S.C. 8258b(d)) is amended in the second sentence by striking “the 20 percent  
32 reduction goal established under section 543(a) of the National Energy Conservation Policy Act  
33 (42 U.S.C. 8253(a)).” and inserting “each of the energy reduction goals established under section  
34 543(a).”.

35 **SEC. 602. ENERGY USE MEASUREMENT AND ACCOUNTABILITY.**

36 Section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) is further  
37 amended by adding at the end the following:

38 “(e) METERING OF ENERGY USE.—

39 “(1) DEADLINE.—By October 1, 2010, in accordance with guidelines established  
40 by the Secretary under paragraph (2), all Federal buildings shall, for the purposes of  
41 efficient use of energy and reduction in the cost of electricity used in such buildings, be  
42 metered or submetered. Each agency shall use, to the maximum extent practicable,  
43 advanced meters or advanced metering devices that provide data at least daily and that  
44 measure at least hourly consumption of electricity in the Federal buildings of the agency.  
45 Such data shall be incorporated into existing Federal energy tracking systems and made  
46 available to Federal facility energy managers.

1 “(2) GUIDELINES.—

2 “(A) IN GENERAL.—Not later than 180 days after the date of enactment of  
3 this subsection, the Secretary, in consultation with the Department of Defense, the  
4 General Services Administration, representatives from the metering industry,  
5 utility industry, energy services industry, energy efficiency industry, national  
6 laboratories, universities, and Federal facility energy managers, shall establish  
7 guidelines for agencies to carry out paragraph (1).

8 “(B) REQUIREMENTS FOR GUIDELINES.— The guidelines shall—

9 “(i) take into consideration—

10 “(I) the cost of metering and submetering and the reduced  
11 cost of operation and maintenance expected to result from  
12 metering and submetering;

13 “(II) the extent to which metering and submetering are  
14 expected to result in increased potential for energy management,  
15 increased potential for energy savings and energy efficiency  
16 improvement, and cost and energy savings due to utility contract  
17 aggregation; and

18 “(III) the measurement and verification protocols of the  
19 Department of Energy;

20 “(ii) include recommendations concerning the amount of funds and  
21 the number of trained personnel necessary to gather and use the metering  
22 information to track and reduce energy use;

23 “(iii) establish priorities for types and locations of buildings to be  
24 metered and submetered based on cost effectiveness and a schedule of one  
25 or more dates, not later than 1 year after the date of issuance of the  
26 guidelines, on which the requirements specified in paragraph (1) shall take  
27 effect; and

28 “(iv) establish exclusions from the requirements specified in  
29 paragraph (1) based on the de minimis quantity of energy use of a Federal  
30 building, industrial process, or structure.

31 “(3) PLAN.—No later than 6 months after the date guidelines are established  
32 under paragraph (2), in a report submitted by the agency under section 548(a), each  
33 agency shall submit to the Secretary a plan describing how the agency will implement the  
34 requirements of paragraph (1), including—

35 “(A) how the agency will designate personnel primarily responsible for  
36 achieving the requirements; and

37 “(B) demonstration by the agency, complete with documentation, of any  
38 finding that advanced meters or advanced metering devices, as defined in  
39 paragraph (1), are not practicable.”

40 **SEC. 603. FEDERAL BUILDING PERFORMANCE STANDARDS.**

41 Section 305(a) of the Energy Conservation and Production Act (42 U.S.C. 6834(a)) is  
42 amended—

43 (a) in paragraph (2)(A), by striking “CABO Model Energy Code, 1992” and inserting  
44 “the 2000 International Energy Conservation Code”; and

45 (b) by adding at the end the following:

46 “(3) REVISED FEDERAL BUILDING ENERGY EFFICIENCY PERFORMANCE STANDARDS.—

1 “(A) IN GENERAL.—Not later than 1 year after the date of enactment of this  
2 paragraph, the Secretary of Energy shall establish, by rule, revised Federal building  
3 energy efficiency performance standards that require that, if cost-effective, for new  
4 Federal buildings—

5 “(i) such buildings be designed so as to achieve energy consumption  
6 levels at least 30 percent below those of the most recent version of the  
7 International Energy Conservation Code, as appropriate; and

8 “(ii) sustainable design principles are applied to the siting, design, and  
9 construction of all new and replacement buildings.

10 “(B) ADDITIONAL REVISIONS.—Not later than 1 year after the date of approval of  
11 amendments to ASHRAE Standard 90.1 or the 2000 International Energy Conservation  
12 Code, the Secretary of Energy shall determine, based on the cost-effectiveness of the  
13 requirements under the amendments, whether the revised standards established under this  
14 paragraph should be updated to reflect the amendments.

15 “(C) STATEMENT ON COMPLIANCE OF NEW BUILDINGS.—In the budget request of  
16 the Federal agency for each fiscal year and each report submitted by the Federal agency  
17 under section 548(a) of the National Energy Conservation Policy Act (42 U.S.C.  
18 8258(a)), the head of each Federal agency shall include—

19 “(i) a list of all new Federal buildings owned, operated, or controlled by  
20 the Federal agency; and

21 “(ii) a statement concerning whether the Federal buildings meet or exceed  
22 the revised standards established under this paragraph.”.

23 **SEC. 604. ENERGY SAVINGS PERFORMANCE CONTRACTS.**

24 (a) PERMANENT EXTENSION.—Section 801(c) of the National Energy Conservation  
25 Policy Act (42 U.S.C. 8287(c)) is repealed.

26 (b) REPLACEMENT FACILITIES.—Section 801(a) of the National Energy Conservation  
27 Policy Act (42 U.S.C. 8287(a)) is amended by adding at the end the following new paragraph:

28 “(3)(A) In the case of an energy savings contract or energy savings performance  
29 contract providing for energy savings through the construction and operation of one or  
30 more buildings or facilities to replace one or more existing buildings or facilities, benefits  
31 ancillary to the purpose of such contract under paragraph (1) may include savings  
32 resulting from reduced costs of operation and maintenance at such replacement buildings  
33 or facilities when compared with costs of operation and maintenance at the buildings or  
34 facilities being replaced, established through a methodology set forth in the contract.

35 “(B) Notwithstanding paragraph (2)(B), aggregate annual payments by an agency  
36 under an energy savings contract or energy savings performance contract referred to in  
37 subparagraph (A) may take into account (through the procedures developed pursuant to  
38 this section) savings resulting from reduced costs of operation and maintenance as  
39 described in that subparagraph.”.

40 (c) ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act  
41 (42 U.S.C. 8287c(2)) is amended to read as follows:

42 “(2) The term ‘energy savings’ means—

43 “(A) a reduction in the cost of energy or water, from a base cost  
44 established through a methodology set forth in the contract, used in an existing  
45 federally owned building or buildings or other federally owned facilities as a  
46 result of—

1 “(i) the lease or purchase of operating equipment, improvements,  
2 altered operation and maintenance, or technical services;

3 “(ii) the increased efficient use of existing energy sources by co-  
4 generation or heat recovery, excluding any co-generation process for other  
5 than a federally owned building or buildings or other federally owned  
6 facilities; or

7 “(iii) the increased efficient use of existing water sources; or

8 “(B) in the case of a replacement building or facility described in section  
9 801(a)(3), a reduction in the cost of energy, from a base cost established through a  
10 methodology set forth in the contract, that would otherwise be utilized in one or  
11 more existing federally owned buildings or other federally owned facilities by  
12 reason of the construction and operation of the replacement building or facility.”.

13 (d) ENERGY SAVINGS CONTRACT.—Section 804(3) of the National Energy Conservation  
14 Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

15 “(3) The terms ‘energy savings contract’ and ‘energy savings performance  
16 contract’ mean a contract which provides for—

17 “(A) the performance of services for the design, acquisition, installation,  
18 testing, operation, and, where appropriate, maintenance and repair, of an  
19 identified energy or water conservation measure or series of measures at one or  
20 more locations; or

21 “(B) energy savings through the construction and operation of one or more  
22 buildings or facilities to replace one or more existing buildings or facilities. Such  
23 contracts shall, with respect to an agency facility that is a public building as such  
24 term is defined in section 13(1) of the Public Buildings Act of 1959 (40 U.S.C.  
25 612(1)), be in compliance with the prospectus requirements and procedures of  
26 section 7 of the Public Buildings Act of 1959 (40 U.S.C. 606).”.

27 (e) ENERGY OR WATER CONSERVATION MEASURE.—Section 804(4) of the National  
28 Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

29 “(4) The term ‘energy or water conservation measure’ means—

30 “(A) an energy conservation measure, as defined in section 551(4) (42  
31 U.S.C. 8259(4)); or

32 “(B) a water conservation measure that improves water efficiency, is life-  
33 cycle cost-effective, and involves water conservation, water recycling or reuse,  
34 more efficient treatment of wastewater or stormwater, improvements in operation  
35 or maintenance efficiencies, retrofit activities, or other related activities, not at a  
36 Federal hydroelectric facility.”.

37 (f) PILOT PROGRAM FOR NON-BUILDING APPLICATIONS.—

38 (1) The Secretary of Defense, and the heads of other interested Federal agencies,  
39 are authorized to enter into up to 10 energy savings performance contracts under Title  
40 VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) for the  
41 purpose of achieving energy or water savings, secondary savings, and benefits incidental  
42 to those purposes, in non-building applications.

43 (2) The Secretary of Energy, in consultation with the Secretary of Defense and the  
44 heads of other interested Federal agencies, shall select projects that demonstrate the  
45 applicability and benefits of energy savings performance contracting to a range of  
46 non-building applications.

1 (3) For the purposes of this subsection:

2 (A) the term “non-building application” means —

3 (i) any class of vehicles, devices, or equipment that is transportable  
4 under its own power by land, sea, or air that consumes energy from any  
5 fuel source for the purpose of such transportability, or to maintain a  
6 controlled environment within such vehicle, device, or equipment; or

7 (ii) any Federally owned equipment used to generate electricity or  
8 transport water.

9 (B) the term “secondary savings”, means additional energy or cost savings  
10 that are a direct consequence of the energy or water savings that result from the  
11 financing and implementation of the energy savings performance contract,  
12 including, but not limited to, energy or cost savings that result from a reduction in  
13 the need for fuel delivery and logistical support, or the increased efficiency in the  
14 production of electricity.

15 (4) Not later than 3 years after the date of enactment of this section, the Secretary  
16 of Energy shall report to the Congress on the progress and results of the projects funded  
17 pursuant to this section. Such report shall include a description of projects undertaken;  
18 the energy, water and cost savings, secondary savings and other benefits that resulted  
19 from such projects; and recommendations on whether the pilot program should be  
20 extended, expanded, or authorized permanently as a part of the program authorized under  
21 Title VIII of the National Energy Conservation Policy act (42 U.S.C. 8287 et seq.).

22 (5) Section 546(c)(3) of the National Energy Conservation Policy Act (42 U.S.C.  
23 8256) is amended by striking the word “facilities”, and inserting the words “facilities,  
24 equipment and vehicles”, in lieu thereof.

25 (g) REVIEW.—Within 180 days after the date of the enactment of this section, the  
26 Secretary of Energy shall complete a review of the Energy Savings Performance Contract  
27 program to identify statutory, regulatory, and administrative obstacles that prevent Federal  
28 agencies from fully utilizing the program. In addition, this review shall identify all areas for  
29 increasing program flexibility and effectiveness, including audit and measurement verification  
30 requirements, accounting for energy use in determining savings, contracting requirements, and  
31 energy efficiency services covered. The Secretary shall report these findings to the Committee  
32 on Energy and Commerce of the House of Representatives and the Committee on Energy and  
33 Natural Resources of the Senate, and shall implement identified administrative and regulatory  
34 changes to increase program flexibility and effectiveness to the extent that such changes are  
35 consistent with statutory authority.

36 **SEC. 605. PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.**

37 Part 3 of title V of the National Energy Conservation Policy Act is amended by adding at  
38 the end the following:

39 **“SEC. 552. FEDERAL PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.**

40 **“(a) DEFINITIONS.—**In this section:

41 **“(1)** The term ‘Energy Star product’ means a product that is rated for energy  
42 efficiency under an Energy Star program.

43 **“(2)** The term ‘Energy Star program’ means the program established by section  
44 324A of the Energy Policy and Conservation Act.

45 **“(3)** The term ‘executive agency’ has the meaning given the term in section 4 of  
46 the Office of Federal Procurement Policy Act (41 U.S.C. 403).

1 “(4) The term ‘FEMP designated product’ means a product that is designated  
2 under the Federal Energy Management Program of the Department of Energy as being  
3 among the highest 25 percent of equivalent products for energy efficiency.

4 “(b) PROCUREMENT OF ENERGY EFFICIENT PRODUCTS.—

5 “(1) REQUIREMENT.—To meet the requirements of an executive agency for an  
6 energy consuming product, the head of the executive agency shall, except as provided in  
7 paragraph (2), procure an Energy Star product or a FEMP designated product.

8 “(2) EXCEPTIONS.—The head of an executive agency is not required to procure an  
9 Energy Star product or FEMP designated product under paragraph (1) if the head of the  
10 executive agency finds in writing that—

11 “(A) an Energy Star product or FEMP designated product is not cost-  
12 effective over the life of the product taking energy cost savings into account; or

13 “(B) no Energy Star product or FEMP designated product is reasonably  
14 available that meets the functional requirements of the executive agency.

15 “(3) PROCUREMENT PLANNING.—The head of an executive agency shall  
16 incorporate into the specifications for all procurements involving energy consuming  
17 products and systems, including guide specifications, project specifications, and  
18 construction, renovation, and services contracts that include provision of energy  
19 consuming products and systems, and into the factors for the evaluation of offers  
20 received for the procurement, criteria for energy efficiency that are consistent with the  
21 criteria used for rating Energy Star products and for rating FEMP designated products.

22 “(c) LISTING OF ENERGY EFFICIENT PRODUCTS IN FEDERAL CATALOGS.—Energy Star  
23 products and FEMP designated products shall be clearly identified and prominently displayed in  
24 any inventory or listing of products by the General Services Administration or the Defense  
25 Logistics Agency. The General Services Administration or the Defense Logistics Agency shall  
26 supply only Energy Star products or FEMP designated products for all product categories  
27 covered by the Energy Star program or the Federal Energy Management Program, except in  
28 cases where the agency ordering a product specifies in writing that no Energy Star product or  
29 FEMP designated product is available to meet the buyer’s functional requirements, or that no  
30 Energy Star product or FEMP designated product is cost-effective for the intended application  
31 over the life of the product, taking energy cost savings into account.

32 “(d) DESIGNATION OF ELECTRIC MOTORS.—In the case of electric motors of 1 to 500  
33 horsepower, agencies shall select only premium efficient motors that meet a standard designated  
34 by the Secretary. The Secretary shall designate such a standard within 120 days after the date of  
35 the enactment of this section, after considering the recommendations of associated electric  
36 motor manufacturers and energy efficiency groups.

37 “(e) REGULATIONS.—Not later than 180 days after the date of the enactment of this  
38 section, the Secretary shall issue guidelines to carry out this section.”.

39 (b) CONFORMING AMENDMENT.—The table of contents in section 1(b) of the National  
40 Energy Conservation Policy Act (42 U.S.C. 8201 note) is amended by inserting after the item  
41 relating to the end of the items relating to part 3 of title V the following:

42 “Sec. 552. Federal procurement of energy efficient products.”.

43 **SEC. 606. CONGRESSIONAL BUILDING EFFICIENCY.**

44 (a) IN GENERAL.—Part 3 of title V of the National Energy Conservation Policy Act is  
45 further amended by adding at the end:

46 “**SEC. 553. CONGRESSIONAL BUILDING EFFICIENCY.**

1 “(a) IN GENERAL.—The Architect of the Capitol—

2 “(1) shall develop, update, and implement a cost-effective energy conservation  
3 and management plan (referred to in this section as the ‘plan’) for all facilities  
4 administered by the Congress (referred to in this section as ‘congressional buildings’) to  
5 meet the energy performance requirements for Federal buildings established under  
6 section 543(a)(1); and

7 “(2) shall submit the plan to Congress, not later than 180 days after the date of  
8 enactment of this section.

9 “(b) PLAN REQUIREMENTS.—The plan shall include—

10 “(1) a description of the life-cycle cost analysis used to determine the cost-  
11 effectiveness of proposed energy efficiency projects;

12 “(2) a schedule of energy surveys to ensure complete surveys of all congressional  
13 buildings every 5 years to determine the cost and payback period of energy and water  
14 conservation measures;

15 “(3) a strategy for installation of life-cycle cost-effective energy and water  
16 conservation measures;

17 “(4) the results of a study of the costs and benefits of installation of submetering  
18 in congressional buildings; and

19 “(5) information packages and ‘how-to’ guides for each Member and employing  
20 authority of Congress that detail simple, cost-effective methods to save energy and  
21 taxpayer dollars in the workplace.

22 “(c) ANNUAL REPORT.—The Architect shall submit to Congress annually a report on  
23 congressional energy management and conservation programs required under this section that  
24 describes in detail—

25 “(1) energy expenditures and savings estimates for each facility;

26 “(2) energy management and conservation projects; and

27 “(3) future priorities to ensure compliance with this section.”.

28 (b) TABLE OF CONTENTS AMENDMENT.—The table of contents in section 1(b) of the  
29 National Energy Conservation Policy Act is amended by adding at the end of the items relating  
30 to part 3 of title V the following new item:

31 “Sec. 553. Energy and water savings measures in congressional buildings.”.

32 (c) REPEAL.—Section 310 of the Legislative Branch Appropriations Act, 1999 (40 U.S.C.  
33 166i), is repealed.

34 (d) ENERGY INFRASTRUCTURE.—The Architect of the Capitol, building on the Master  
35 Plan Study completed in July 2000, shall commission a study to evaluate the energy  
36 infrastructure of the Capital Complex to determine how the infrastructure could be augmented to  
37 become more energy efficient, using unconventional and renewable energy resources, in a way  
38 that would enable the Complex to have reliable utility service in the event of power fluctuations,  
39 shortages, or outages.

40 (e) AUTHORIZATION.—There are authorized to be appropriated to the Architect of the  
41 Capitol to carry out subsection (d), not more than \$2,000,000 for fiscal year 2004.

42 **SEC. 607. INCREASED USE OF RECOVERED MINERAL COMPONENT IN FEDERALLY FUNDED**  
43 **PROJECTS INVOLVING PROCUREMENT OF CEMENT OR CONCRETE.**

44 (a) AMENDMENT.—Subtitle F of the Solid Waste Disposal Act (42 U.S.C. 6961 et seq.) is  
45 amended by adding at the end the following new section:

46 **“SEC. 6005. INCREASED USE OF RECOVERED MINERAL COMPONENT IN FEDERALLY FUNDED**

1 **PROJECTS INVOLVING PROCUREMENT OF CEMENT OR CONCRETE.**

2 “(a) DEFINITIONS.—In this section:

3 “(1) AGENCY HEAD.—The term ‘agency head’ means—

4 “(A) the Secretary of Transportation; and

5 “(B) the head of each other Federal agency that on a regular basis  
6 procures, or provides Federal funds to pay or assist in paying the cost of  
7 procuring, material for cement or concrete projects.

8 “(2) CEMENT OR CONCRETE PROJECT.—The term ‘cement or concrete project’  
9 means a project for the construction or maintenance of a highway or  
10 other transportation facility or a Federal, State, or local government building or other  
11 public facility that—

12 “(A) involves the procurement of cement or concrete; and

13 “(B) is carried out in whole or in part using Federal funds.

14 “(3) RECOVERED MINERAL COMPONENT.—The term ‘recovered mineral  
15 component’ means—

16 “(A) ground granulated blast furnace slag;

17 “(B) coal combustion fly ash; and

18 “(C) any other waste material or byproduct recovered or diverted from  
19 solid waste that the Administrator, in consultation with an agency head,  
20 determines should be treated as recovered mineral component under this section  
21 for use in cement or concrete projects paid for, in whole or in part, by the agency  
22 head.

23 “(b) IMPLEMENTATION OF REQUIREMENTS.—

24 “(1) IN GENERAL.—Not later than 1 year after the date of enactment of this  
25 section, the Administrator and each agency head shall take such actions as are necessary  
26 to implement fully all procurement requirements and incentives in effect as of the date of  
27 enactment of this section (including guidelines under section 6002) that provide for the  
28 use of cement and concrete incorporating recovered mineral component in cement or  
29 concrete projects.

30 “(2) PRIORITY.—In carrying out paragraph (1) an agency head shall give priority  
31 to achieving greater use of recovered mineral component in cement or concrete projects  
32 for which recovered mineral components historically have not been used or have been  
33 used only minimally.

34 “(3) CONFORMANCE.—The Administrator and each agency head shall carry out  
35 this subsection in accordance with section 6002.

36 “(c) FULL IMPLEMENTATION STUDY.—

37 “(1) IN GENERAL.—The Administrator, in cooperation with the Secretary of  
38 Transportation and the Secretary of Energy, shall conduct a study to determine the extent  
39 to which current procurement requirements, when fully implemented in accordance with  
40 subsection (b), may realize energy savings and environmental benefits attainable with  
41 substitution of recovered mineral component in cement used in cement or concrete  
42 projects.

43 “(2) MATTERS TO BE ADDRESSED.—The study shall—

44 “(A) quantify the extent to which recovered mineral components are being  
45 substituted for Portland cement, particularly as a result of current procurement  
46 requirements, and the energy savings and environmental benefits associated with

1 that substitution;

2 “(B) identify all barriers in procurement requirements to fuller realization  
3 of energy savings and environmental benefits, including barriers resulting from  
4 exceptions from current law; and

5 “(C) (i) identify potential mechanisms to achieve greater substitution of  
6 recovered mineral component in types of cement or concrete projects for  
7 which recovered mineral components historically have not been used or  
8 have been used only minimally;

9 “(ii) evaluate the feasibility of establishing guidelines or standards  
10 for optimized substitution rates of recovered mineral component in those  
11 cement or concrete projects; and

12 “(iii) identify any potential environmental or economic effects that  
13 may result from greater substitution of recovered mineral component in  
14 those cement or concrete projects.

15 “(3) REPORT.—Not later than 30 months after the date of enactment of this  
16 section, the Administrator shall submit to the Committee on Appropriations and  
17 Committee on Environment and Public Works of the Senate and the Committee on  
18 Appropriations, Committee on Energy and Commerce, and Committee on Transportation  
19 and Infrastructure of the House of Representatives a report on the study.

20 “(d) ADDITIONAL PROCUREMENT REQUIREMENTS.— Unless the study conducted under  
21 subsection (c) identifies any effects or other problems described in subsection (c)(2)(C)(iii) that  
22 warrant further review or delay, the Administrator and each agency head shall, within 1 year of  
23 the release of the report in accordance with subsection (c)(3), take additional actions authorized  
24 under this section to establish procurement requirements and incentives that provide for the use  
25 of cement and concrete with increased substitution of recovered mineral component in the  
26 construction and maintenance of cement or concrete projects, so as to—

27 “(1) realize more fully the energy savings and environmental benefits associated  
28 with increased substitution; and

29 “(2) eliminate barriers identified under subsection (c).

30 “(e) EFFECT OF SECTION.—Nothing in this section affects the requirements of section  
31 6002 (including the guidelines and specifications for implementing those requirements).”.

32 (b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Solid Waste  
33 Disposal Act is amended by adding after the item relating to section 6004 the following new  
34 item:

35 “Sec. 6005. Increased use of recovered mineral component in federally funded projects involving  
36 procurement of cement or concrete.”.

## 37 **Subtitle B—State and Local Programs**

### 38 **SEC. 611. LOW INCOME COMMUNITY ENERGY EFFICIENCY PILOT PROGRAM.**

39 (a) GRANTS.—The Secretary of Energy is authorized to make grants to units of local  
40 government, private, non-profit community development organizations, and Indian  
41 tribe economic development entities to improve energy efficiency, identify and develop  
42 alternative, renewable and distributed energy supplies, and increase energy conservation in low  
43 income rural and urban communities.

44 (b) PURPOSE OF GRANTS.—The Secretary may make grants on a competitive basis for—

45 (1) investments that develop alternative, renewable and distributed energy  
46 supplies;

- 1 (2) energy efficiency projects and energy conservation programs;
- 2 (3) studies and other activities that improve energy efficiency in low income rural
- 3 and urban communities;
- 4 (4) planning and development assistance for increasing the energy efficiency of
- 5 buildings and facilities; and
- 6 (5) technical and financial assistance to local government and private entities on
- 7 developing new renewable and distributed sources of power or combined heat and power
- 8 generation.

9 (c) DEFINITION.—For purposes of this section, the term “Indian tribe” means any Indian  
10 tribe, band, nation, or other organized group or community, including any Alaskan Native  
11 village or regional or village corporation as defined in or established pursuant to the Alaska  
12 Native Claims Settlement Act (43 U.S.C. 1601 et seq.), which is recognized as eligible for the  
13 special programs and services provided by the United States to Indians because of their status as  
14 Indians.

15 (d) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section there are  
16 authorized to be appropriated to the Secretary of Energy \$20,000,000 for fiscal year 2003 and  
17 each fiscal year thereafter through fiscal year 2005.

18 **SEC. 612. ENERGY EFFICIENT PUBLIC BUILDINGS.**

19 (a) GRANTS.—The Secretary of Energy may make grants to the State agency responsible  
20 for developing State energy conservation plans under section 362 of the Energy Policy and  
21 Conservation Act (42 U.S.C. 6322), or, if no such agency exists, a State agency designated by  
22 the Governor of the State, to assist units of local government in the State in improving the energy  
23 efficiency of public buildings and facilities—

24 (1) through construction of new energy efficient public buildings that use at least  
25 30 percent less energy than a comparable public building constructed in compliance with  
26 standards prescribed in chapter 8 of the 2000 International Energy Conservation Code, or  
27 a similar State code intended to achieve substantially equivalent efficiency levels; or

28 (2) through renovation of existing public buildings to achieve reductions in  
29 energy use of at least 30 percent as compared to the baseline energy use in such buildings  
30 prior to renovation, assuming a 3-year, weather-normalized average for calculating such  
31 baseline.

32 (b) ADMINISTRATION.—State energy offices receiving grants under this section shall—

33 (1) maintain such records and evidence of compliance as the Secretary may  
34 require; and

35 (2) develop and distribute information and materials and conduct programs to  
36 provide technical services and assistance to encourage planning, financing, and design of  
37 energy efficient public buildings by units of local government.

38 (c) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of this section, there are  
39 authorized to be appropriated to the Secretary of Energy such sums as may be necessary for each  
40 of fiscal years 2003 through 2012. Not more than 30 percent of appropriated funds shall be used  
41 for administration.

42 **SEC. 613. ENERGY EFFICIENT APPLIANCE REBATE PROGRAMS.**

43 (a) DEFINITIONS.—In this section:

44 (1) The term “eligible State” means a State that meets the requirements of  
45 subsection (b).

46 (2) The term “Energy Star program” means the program established by section

1 324A of the Energy Policy and Conservation Act.

2 (3) The term “residential Energy Star product” means a product for a residence  
3 that is rated for energy efficiency under the Energy Star program.

4 (4) The term “State energy office” means the State agency responsible for  
5 developing State energy conservation plans under section 362 of the Energy Policy and  
6 Conservation Act (42 U.S.C. 6322).

7 (5) The term “State program” means a State energy efficient appliance rebate  
8 program described in subsection (b)(1).

9 (b) ELIGIBLE STATES.—A State shall be eligible to receive an allocation under subsection  
10 (c) if the State—

11 (1) establishes (or has established) a State energy efficient appliance rebate  
12 program to provide rebates to residential consumers for the purchase of residential  
13 Energy Star products to replace used appliances of the same type;

14 (2) submits an application for the allocation at such time, in such form, and  
15 containing such information as the Secretary may require; and

16 (3) provides assurances satisfactory to the Secretary that the State will use the  
17 allocation to supplement, but not supplant, funds made available to carry out the State  
18 program.

19 (c) AMOUNT OF ALLOCATIONS.—

20 (1) Subject to paragraph (2), for each fiscal year, the Secretary shall allocate to  
21 the State energy office of each eligible State to carry out subsection (d) an amount equal  
22 to the product obtained by multiplying the amount made available under subsection (f)  
23 for the fiscal year by the ratio that the population of the State in the most recent calendar  
24 year for which data are available bears to the total population of all eligible States in that  
25 calendar year.

26 (2) For each fiscal year, the amounts allocated under this subsection shall be  
27 adjusted proportionately so that no eligible State is allocated a sum that is less than an  
28 amount determined by the Secretary.

29 (d) USE OF ALLOCATED FUNDS.—The allocation to a State energy office under subsection  
30 (c) may be used to pay up to 50 percent of the cost of establishing and carrying out a State  
31 program.

32 (e) ISSUANCE OF REBATES.—Rebates may be provided to residential consumers that meet  
33 the requirements of the State program. The amount of a rebate shall be determined by the State  
34 energy office, taking into consideration—

35 (1) the amount of the allocation to the State energy office under subsection (c);

36 (2) the amount of any Federal or State tax incentive available for the purchase of  
37 the residential Energy Star product; and

38 (3) the difference between the cost of the residential Energy Star product and the  
39 cost of an appliance that is not a residential Energy Star product, but is of the same type  
40 as, and is the nearest capacity, performance, and other relevant characteristics (as  
41 determined by the State energy office) to the residential Energy Star product.

42 (f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to  
43 carry out this section \$50,000,000 for each of the fiscal years 2004 through 2008.

## 44 **Subtitle C—Consumer Products**

### 45 **SEC. 621. ENERGY CONSERVATION STANDARDS FOR ADDITIONAL PRODUCTS.**

46 (a) DEFINITIONS.—Section 321 of the Energy Policy and Conservation Act (42 U.S.C.

1 6291) is amended by adding at the end the following:

2 “(32) The term ‘battery charger’ means a device that charges batteries for  
3 consumer products.

4 “(33) The term ‘commercial refrigerator, freezer and refrigerator-freezer’ means a  
5 refrigerator, freezer or refrigerator-freezer that—

6 “(A) is not a consumer product regulated under this Act; and

7 “(B) incorporates most components involved in the vapor-compression  
8 cycle and the refrigerated compartment in a single package.

9 “(34) The term ‘external power supply’ means an external power supply circuit  
10 that is used to convert household electric current into either DC current or lower-voltage  
11 AC current to operate a consumer product.

12 “(35) The term ‘illuminated exit sign’ means a sign that—

13 “(A) is designed to be permanently fixed in place to identify an exit; and

14 “(B) consists of an electrically powered integral light source that  
15 illuminates the legend ‘EXIT’ and any directional indicators and provides contrast  
16 between the legend, any directional indicators, and the background.

17 “(36)(A) Except as provided in subparagraph (B), the term ‘low-voltage dry-type  
18 transformer’ means a transformer that—

19 “(i) has an input voltage of 600 volts or less;

20 “(ii) is air-cooled;

21 “(iii) does not use oil as a coolant; and

22 “(iv) is rated for operation at a frequency of 60 Hertz.

23 “(B) The term ‘low-voltage dry-type transformer’ does not include—

24 “(i) transformers with multiple voltage taps, with the highest voltage tap  
25 equaling at least 20 percent more than the lowest voltage tap;

26 “(ii) transformers, such as those commonly known as drive transformers,  
27 rectifier transformers, auto-transformers, Uninterruptible Power System  
28 transformers, impedance transformers, harmonic transformers, regulating  
29 transformers, sealed and nonventilating transformers, machine tool transformers,  
30 welding transformers, grounding transformers, or testing transformers, that are  
31 designed to be used in a special purpose application and are unlikely to be used in  
32 general purpose applications; or

33 “(iii) any transformer not listed in clause (ii) that is excluded by the  
34 Secretary by rule because the transformer is designed for a special application and  
35 the application of standards to the transformer would not result in significant  
36 energy savings.

37 “(37)(A) Except as provided in subsection (B), the term ‘distribution transformer’  
38 means a transformer that —

39 “(i) has an input voltage of 34.5 kilovolts or less;

40 “(ii) has an output voltage of 600 volts or less; and

41 “(iii) is rated for operation at a frequency of 60 Hertz.

42 “(B) The term ‘distribution transformer’ does not include —

43 “(i) transformers with multiple voltage taps, with the highest voltage tap  
44 equaling at least 15 percent more than the lowest voltage tap;

45 “(ii) transformers, such as those commonly known as drive transformers,  
46 rectifier transformers, autotransformers, Uninterruptible Power System

1 transformers, impedance transformers, harmonic transformers, regulating  
2 transformers, sealed and nonventilating transformers, machine tool transformers,  
3 welding transformers, grounding transformers, or testing transformers, that are  
4 designed to be used in a special purpose application, and are unlikely to be used  
5 in general purpose applications; or

6 “(iii) any transformer not listed in clause (ii) that is excluded by the  
7 Secretary by rule because the transformer is designed for a special application, is  
8 unlikely to be used in general purpose applications, and the application of  
9 standards to the transformer would not result in significant energy savings.

10 “(38) The term ‘standby mode’ means the lowest amount of electric power used  
11 by a household appliance when not performing its active functions, as defined on an  
12 individual product basis by the Secretary.

13 “(39) The term ‘torchiere’ means a portable electric lamp with a reflector bowl  
14 that directs light upward so as to give indirect illumination.

15 “(40) The term ‘transformer’ means a device consisting of two or more coils of  
16 insulated wire that transfers alternating current by electromagnetic induction from one  
17 coil to another to change the original voltage or current value.

18 “(41) The term ‘unit heater’ means a self-contained fan-type heater designed to be  
19 installed within the heated space, except that such term does not include a warm air  
20 furnace.

21 “(42) The term ‘traffic signal module’ means a standard 8-inch (200mm) or 12-  
22 inch (300mm) traffic signal indication, consisting of a light source, a lens, and all other  
23 parts necessary for operation, that communicates movement messages to drivers through  
24 red, amber, and green colors.”.

25 (b) TEST PROCEDURES.—Section 323 of the Energy Policy and Conservation Act (42  
26 U.S.C. 6293) is amended—

27 (1) in subsection (b), by adding at the end the following:

28 “(9) Test procedures for illuminated exit signs shall be based on the test  
29 method used under Version 2.0 of the Energy Star program of the Environmental  
30 Protection Agency for illuminated exit signs.

31 “(10) Test procedures for low voltage dry-type distribution transformers  
32 shall be based on the ‘Standard Test Method for Measuring the Energy  
33 Consumption of Distribution Transformers’ prescribed by the National Electrical  
34 Manufacturers Association (NEMA TP 2–1998). The Secretary may review and  
35 revise this test procedure based on future revisions to such standard test method.

36 “(11) Test procedures for traffic signal modules shall be based on the test  
37 method used under the Energy Star program of the Environmental Protection  
38 Agency for traffic signal modules, as in effect on the date of enactment of this  
39 paragraph.”; and

40 (2) by adding at the end the following:

41 “(f) ADDITIONAL CONSUMER AND COMMERCIAL PRODUCTS.—The  
42 Secretary shall within 24 months after the date of enactment of this subsection  
43 prescribe testing requirements for suspended ceiling fans, refrigerated bottled or  
44 canned beverage vending machines, commercial unit heaters, and commercial  
45 refrigerators, freezers and refrigerator-freezers. Such testing requirements shall be  
46 based on existing test procedures used in industry to the extent practical and

1 reasonable. In the case of suspended ceiling fans, such test procedures shall  
2 include efficiency at both maximum output and at an output no more than 50  
3 percent of the maximum output.”

4 (c) NEW STANDARDS.—Section 325 of the Energy Policy and Conservation Act (42  
5 U.S.C. 6295) is amended by adding at the end the following:

6 “(u) STANDBY MODE ELECTRIC ENERGY CONSUMPTION.—

7 “(1) INITIAL RULEMAKING.—

8 “(A) The Secretary shall, within 18 months after the date of enactment of  
9 this subsection, prescribe by notice and comment, definitions of standby mode  
10 and test procedures for the standby mode power use of battery chargers and  
11 external power supplies. In establishing these test procedures, the Secretary shall  
12 consider, among other factors, existing test procedures used for measuring energy  
13 consumption in standby mode and assess the current and projected future market  
14 for battery chargers and external power supplies. This assessment shall include  
15 estimates of the significance of potential energy savings from technical  
16 improvements to these products and suggested product classes for standards. Prior  
17 to the end of this time period, the Secretary shall hold a scoping workshop to  
18 discuss and receive comments on plans for developing energy conservation  
19 standards for standby mode energy use for these products.

20 “(B) The Secretary shall, within 3 years after the date of enactment of this  
21 subsection, issue a final rule that determines whether energy conservation  
22 standards shall be promulgated for battery chargers and external power supplies  
23 or classes thereof. For each product class, any such standards shall be set at the  
24 lowest level of standby energy use that—

25 “(i) meets the criteria of subsections (o), (p), (q), (r), (s) and (t);

26 and

27 “(ii) will result in significant overall annual energy savings,  
28 considering both standby mode and other operating modes.

29 “(2) DESIGNATION OF ADDITIONAL COVERED PRODUCTS.—

30 “(A) Not later than 180 days after the date of enactment of this subsection,  
31 the Secretary shall publish for public comment and public hearing a notice to  
32 determine whether any non-covered products should be designated as covered  
33 products for the purpose of instituting a rulemaking under this section to  
34 determine whether an energy conservation standard restricting standby mode  
35 energy consumption, should be promulgated; except that any restriction on  
36 standby mode energy consumption shall be limited to major sources of such  
37 consumption.

38 “(B) In making the determinations pursuant to subparagraph (A) of  
39 whether to designate new covered products and institute rulemakings, the  
40 Secretary shall, among other relevant factors and in addition to the criteria in  
41 section 322(b), consider—

42 “(i) standby mode power consumption compared to overall product  
43 energy consumption; and

44 “(ii) the priority and energy savings potential of standards which  
45 may be promulgated under this subsection compared to other required  
46 rulemakings under this section and the available resources of the

1 Department to conduct such rulemakings.

2 “(C) Not later than 1 year after the date of enactment of this subsection,  
3 the Secretary shall issue a determination of any new covered products for which  
4 he intends to institute rulemakings on standby mode pursuant to this section and  
5 he shall state the dates by which he intends to initiate those rulemakings.

6 “(3) REVIEW OF STANDBY ENERGY USE IN COVERED PRODUCTS.—In determining  
7 pursuant to section 323 whether test procedures and energy conservation standards  
8 pursuant to this section should be revised, the Secretary shall consider for covered  
9 products which are major sources of standby mode energy consumption whether to  
10 incorporate standby mode into such test procedures and energy conservation standards,  
11 taking into account, among other relevant factors, the criteria for non-covered products in  
12 subparagraph (B) of paragraph (2) of this subsection.

13 “(4) RULEMAKING.—

14 “(A) Any rulemaking instituted under this subsection or for covered  
15 products under this section which restricts standby mode power consumption  
16 shall be subject to the criteria and procedures for issuing energy conservation  
17 standards set forth in this section and the criteria set forth in subparagraph (B) of  
18 paragraph (2) of this subsection.

19 “(B) No standard can be proposed for new covered products or covered  
20 products in a standby mode unless the Secretary has promulgated applicable test  
21 procedures for each product pursuant to section 323.

22 “(C) The provisions of section 327 shall apply to new covered products  
23 which are subject to the rulemakings for standby mode after a final rule has been  
24 issued.

25 “(5) EFFECTIVE DATE.—Any standard promulgated under this subsection shall be  
26 applicable to products manufactured or imported 3 years after the date of promulgation.

27 “(6) VOLUNTARY PROGRAMS.—The Secretary and the Administrator shall  
28 collaborate and develop programs, including programs pursuant to section 324A (relating  
29 to Energy Star Programs) and other voluntary industry agreements or codes of conduct,  
30 which are designed to reduce standby mode energy use.

31 “(v) SUSPENDED CEILING FANS, VENDING MACHINES, UNIT HEATERS, AND COMMERCIAL  
32 REFRIGERATORS, FREEZERS AND REFRIGERATOR-FREEZERS.—The Secretary shall within 24  
33 months after the date on which testing requirements are prescribed by the Secretary pursuant to  
34 section 323(f), prescribe, by rule, energy conservation standards for suspended ceiling fans,  
35 refrigerated bottled or canned beverage vending machines, unit heaters, and commercial  
36 refrigerators, freezers and refrigerator-freezers. In establishing standards under this subsection,  
37 the Secretary shall use the criteria and procedures contained in subsections (l) and (m). Any  
38 standard prescribed under this subsection shall apply to products manufactured 3 years after the  
39 date of publication of a final rule establishing such standard.

40 “(w) ILLUMINATED EXIT SIGNS.—Illuminated exit signs manufactured on or after January  
41 1, 2005 shall meet the Version 2.0 Energy Star Program performance requirements for  
42 illuminated exit signs prescribed by the Environmental Protection Agency.

43 “(x) TORCHIERES.—Torchieres manufactured on or after January 1, 2005 —

44 “(1) shall consume not more than 190 watts of power; and

45 “(2) shall not be capable of operating with lamps that total more than 190 watts.

46 “(y) DISTRIBUTION TRANSFORMERS.—The efficiency of low voltage dry-type

1 transformers manufactured on or after January 1, 2005 shall be the Class I Efficiency Levels for  
2 distribution transformers specified in Table 4–2 of the ‘Guide for Determining Energy Efficiency  
3 for Distribution Transformers’ published by the National Electrical Manufacturers Association  
4 (NEMA TP–1–2002).

5 “(z) TRAFFIC SIGNAL MODULES.—Traffic signal modules manufactured on or after  
6 January 1, 2006 shall meet the performance requirements used under the Energy Star program of  
7 the Environmental Protection Agency for traffic signals, as in effect on the date of enactment of  
8 this paragraph, and shall be installed with compatible, electrically-connected signal control  
9 interface devices and conflict monitoring systems.”.

10 **SEC. 622. ENERGY LABELING.**

11 (a) RULEMAKING ON EFFECTIVENESS OF CONSUMER PRODUCT LABELING.—Paragraph (2)  
12 of section 324(a) of the Energy Policy and Conservation Act (42 U.S.C. 6294(a)(2)) is amended  
13 by adding at the end the following:

14 “(F) Not later than 3 months after the date of enactment of this subparagraph, the  
15 Commission shall initiate a rulemaking to consider the effectiveness of the current consumer  
16 products labeling program in assisting consumers in making purchasing decisions and improving  
17 energy efficiency and to consider changes to the labeling rules that would improve the  
18 effectiveness of consumer product labels. Such rulemaking shall be completed within 2 years  
19 after the date of enactment of this subparagraph.”.

20 (b) RULEMAKING ON LABELING FOR ADDITIONAL PRODUCTS.—Section 324(a) of the  
21 Energy Policy and Conservation Act (42 U.S.C. 6294(a)) is further amended by adding at the  
22 end the following:

23 “(5) The Secretary or the Commission, as appropriate, may for covered products referred  
24 to in subsections (u) through (z) of section 325, prescribe, by rule, pursuant to this section,  
25 labeling requirements for such products after a test procedure has been set pursuant to section  
26 323. In the case of products to which TP-1 standards under section 325(y) apply, labeling  
27 requirements shall be based on the “Standard for the Labeling of Distribution Transformer  
28 Efficiency” prescribed by the National Electrical Manufacturers Association (NEMA TP-3) as in  
29 effect upon the date of enactment of this Act.”.

30 **SEC. 623. ENERGY STAR PROGRAM.**

31 (a) AMENDMENT.—The Energy Policy and Conservation Act (42 U.S.C. 6201 et. seq.) is  
32 amended by inserting the following after section 324:

33 **“SEC. 324A. ENERGY STAR PROGRAM.**

34 “There is established at the Department of Energy and the Environmental  
35 Protection Agency a program to identify and promote energy-efficient products and  
36 buildings in order to reduce energy consumption, improve energy security, and reduce  
37 pollution through labeling of and other forms of communication about products and  
38 buildings that meet the highest energy efficiency standards. Responsibilities under the  
39 program shall be divided between the Department of Energy and the Environmental  
40 Protection Agency consistent with the terms of agreements between the two agencies.  
41 The Administrator and the Secretary shall—

42 “(1) promote Energy Star compliant technologies as the preferred  
43 technologies in the marketplace for achieving energy efficiency and to reduce  
44 pollution;

45 “(2) work to enhance public awareness of the Energy Star label, including  
46 special outreach to small businesses;

1 “(3) preserve the integrity of the Energy Star label; and  
2 “(4) solicit the comments of interested parties in establishing a new  
3 Energy Star product category or in revising a product category, and upon  
4 adoption of a new or revised product category provide an explanation of the  
5 decision that responds to significant public comments.”.

6 (b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy and  
7 Conservation Act is amended by inserting after the item relating to section 324 the following  
8 new item:

9 “Sec. 324A. Energy Star program.”.

10 **SEC. 624. HVAC MAINTENANCE CONSUMER EDUCATION PROGRAM.**

11 Section 337 of the Energy Policy and Conservation Act (42 U.S.C. 6307) is amended by  
12 adding at the end the following:

13 “(c) HVAC MAINTENANCE.—For the purpose of ensuring that installed air conditioning  
14 and heating systems operate at their maximum rated efficiency levels, the Secretary shall, within  
15 180 days of the date of enactment of this subsection, carry out a program to educate homeowners  
16 and small business owners concerning the energy savings resulting from properly conducted  
17 maintenance of air conditioning, heating, and ventilating systems. The Secretary shall carry out  
18 the program in cooperation with the Administrator of the Environmental Protection Agency and  
19 such other entities as the Secretary considers appropriate, including industry trade associations,  
20 industry members, and energy efficiency organizations.

21 “(d) SMALL BUSINESS EDUCATION AND ASSISTANCE.—The Administrator of the Small  
22 Business Administration, in consultation with the Secretary of Energy and the Administrator of  
23 the Environmental Protection Agency, shall develop and coordinate a Government-wide  
24 program, building on the existing Energy Star for Small Business Program, to assist small  
25 business to become more energy efficient, understand the cost savings obtainable through  
26 efficiencies, and identify financing options for energy efficiency upgrades. The Secretary and the  
27 Administrator shall make the program information available directly to small businesses and  
28 through other Federal agencies, including the Federal Emergency Management Program, and the  
29 Department of Agriculture.”.

30 **Subtitle D—Public Housing**

31 **SEC. 631. CAPACITY BUILDING FOR ENERGY-EFFICIENT, AFFORDABLE HOUSING.**

32 Section 4(b) of the HUD Demonstration Act of 1993 (42 U.S.C. 9816 note) is amended—

33 (a) in paragraph (1), by inserting before the semicolon at the end the following: “,  
34 including capabilities regarding the provision of energy efficient, affordable housing and  
35 residential energy conservation measures”; and

36 (b) in paragraph (2), by inserting before the semicolon the following: “, including such  
37 activities relating to the provision of energy efficient, affordable housing and residential energy  
38 conservation measures that benefit low-income families”.

39 **SEC. 632. INCREASE OF CDBG PUBLIC SERVICES CAP FOR ENERGY CONSERVATION AND**  
40 **EFFICIENCY ACTIVITIES.**

41 Section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C.  
42 5305(a)(8)) is amended—

43 (a) by inserting “or efficiency” after “energy conservation”;

44 (b) by striking “, and except that” and inserting “; except that”; and

45 (c) by inserting before the semicolon at the end the following: “; and except that each  
46 percentage limitation under this paragraph on the amount of assistance provided under this title

1 that may be used for the provision of public services is hereby increased by 10 percent, but such  
2 percentage increase may be used only for the provision of public services concerning energy  
3 conservation or efficiency”.

4 **SEC. 633. FHA MORTGAGE INSURANCE INCENTIVES FOR ENERGY EFFICIENT HOUSING.**

5 (a) SINGLE FAMILY HOUSING MORTGAGE INSURANCE.—Section 203(b)(2) of the  
6 National Housing Act (12 U.S.C. 1709(b)(2)) is amended, in the first undesignated and indented  
7 paragraph beginning after subparagraph (B)(iii) (relating to solar energy systems)—

8 (1) by inserting “or paragraph (10)” before the first comma; and

9 (2) by striking “20 percent” and inserting “30 percent”.

10 (b) MULTIFAMILY HOUSING MORTGAGE INSURANCE.—Section 207(c) of the National  
11 Housing Act (12 U.S.C. 1713(c)) is amended, in the second undesignated paragraph beginning  
12 after paragraph (3) (relating to solar energy systems and residential energy conservation  
13 measures), by striking “20 percent” and inserting “30 percent”.

14 (c) COOPERATIVE HOUSING MORTGAGE INSURANCE.—Section 213(p) of the National  
15 Housing Act (12 U.S.C. 1715e(p)) is amended by striking “20 per centum” and inserting “30  
16 percent”.

17 (d) REHABILITATION AND NEIGHBORHOOD CONSERVATION HOUSING MORTGAGE  
18 INSURANCE.—Section 220(d)(3)(B)(iii) of the National Housing Act (12 U.S.C.  
19 1715k(d)(3)(B)(iii)) is amended by striking “20 per centum” and inserting “30 percent”.

20 (e) LOW-INCOME MULTIFAMILY HOUSING MORTGAGE INSURANCE.—Section 221(k) of  
21 the National Housing Act (12 U.S.C. 1715l(k)) is amended by striking “20 per centum” and  
22 inserting “30 percent”.

23 (f) ELDERLY HOUSING MORTGAGE INSURANCE.—The proviso at the end of section  
24 231(c)(2) of the National Housing Act (12 U.S.C. 1715v(c)(2)) is amended by striking “20 per  
25 centum” and inserting “30 percent”.

26 (g) CONDOMINIUM HOUSING MORTGAGE INSURANCE.—Section 234(j) of the National  
27 Housing Act (12 U.S.C. 1715y(j)) is amended by striking “20 per centum” and inserting “30  
28 percent”.

29 **SEC. 634. PUBLIC HOUSING CAPITAL FUND.**

30 Section 9 of the United States Housing Act of 1937 (42 U.S.C. 1437g) is amended—

31 (a) in subsection (d)(1)—

32 (1) in subparagraph (I), by striking “and” at the end;

33 (2) in subparagraph (J), by striking the period at the end and inserting a  
34 semicolon; and

35 (3) by adding at the end the following new subparagraphs:

36 “(K) improvement of energy and water-use efficiency by installing  
37 fixtures and fittings that conform to the American Society of Mechanical  
38 Engineers/American National Standards Institute standards A112.19.2-1998 and  
39 A112.18.1-2000, or any revision thereto, applicable at the time of installation, and  
40 by increasing energy efficiency and water conservation by such other means as  
41 the Secretary determines are appropriate; and

42 “(L) integrated utility management and capital planning to maximize  
43 energy conservation and efficiency measures.”; and

44 (b) in subsection (e)(2)(C)—

45 (1) by striking “The” and inserting the following:

46 “(i) IN GENERAL.—The”; and

1 (2) by adding at the end the following:

2 “(ii) THIRD PARTY CONTRACTS.—Contracts described in clause (i) may  
3 include contracts for equipment conversions to less costly utility sources, projects  
4 with resident-paid utilities, and adjustments to frozen base year consumption,  
5 including systems repaired to meet applicable building and safety codes and  
6 adjustments for occupancy rates increased by rehabilitation.

7 “(iii) TERM OF CONTRACT.—The total term of a contract described in  
8 clause (i) shall not exceed 20 years to allow longer payback periods for retrofits,  
9 including windows, heating system replacements, wall insulation, site-based  
10 generations, advanced energy savings technologies, including renewable energy  
11 generation, and other such retrofits.”.

12 **SEC. 635. GRANTS FOR ENERGY-CONSERVING IMPROVEMENTS FOR ASSISTED HOUSING.**

13 Section 251(b)(1) of the National Energy Conservation Policy Act (42 U.S.C. 8231(1)) is  
14 amended—

15 (a) by striking “financed with loans” and inserting “assisted”;

16 (b) by inserting after “1959,” the following: “which are eligible multifamily housing  
17 projects (as such term is defined in section 512 of the Multi-family Assisted Housing Reform  
18 and Affordability Act of 1997 (42 U.S.C. 1437f note)) and are subject to mortgage restructuring  
19 and rental assistance sufficiency plans under such Act,”; and

20 (c) by inserting after the period at the end of the first sentence the following new  
21 sentence: “Such improvements may also include the installation of energy and water conserving  
22 fixtures and fittings that conform to the American Society of Mechanical Engineers/American  
23 National Standards Institute standards A112.19.2-1998 and A112.18.1-2000, or any revision  
24 thereto, applicable at the time of installation.”.

25 **SEC. 636. NORTH AMERICAN DEVELOPMENT BANK.**

26 Part 2 of subtitle D of title V of the North American Free Trade Agreement  
27 Implementation Act (22 U.S.C. 290m–290m-3) is amended by adding at the end the following:

28 “**SEC. 545. SUPPORT FOR CERTAIN ENERGY POLICIES.**

29 “Consistent with the focus of the Bank’s Charter on environmental infrastructure  
30 projects, the Board members representing the United States should use their voice and  
31 vote to encourage the Bank to finance projects related to clean and efficient energy,  
32 including energy conservation, that prevent, control, or reduce environmental pollutants  
33 or contaminants.”.

34 **SEC. 637. ENERGY-EFFICIENT APPLIANCES.**

35 In purchasing appliances, a public housing agency shall purchase energy-efficient  
36 appliances that are Energy Star products or FEMP-designated products, as such terms are  
37 defined in section 553 of the National Energy Policy and Conservation Act (as amended by this  
38 Act), unless the purchase of energy-efficient appliances is not cost-effective to the agency.

39 **SEC. 638. ENERGY EFFICIENCY STANDARDS.**

40 Section 109 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C.  
41 12709) is amended—

42 (1) in subsection (a)—

43 (A) in paragraph (1)—

44 (i) by striking “1 year after the date of the enactment of the Energy  
45 Policy Act of 1992” and inserting “September 30, 2003”;

46 (ii) in subparagraph (A), by striking “and” at the end;

1 (iii) in subparagraph (B), by striking the period at the end and  
2 inserting “; and”; and

3 (iv) by adding at the end the following:

4 “(C) rehabilitation and new construction of public and assisted  
5 housing funded by HOPE VI revitalization grants under section 24 of the  
6 United States Housing Act of 1937 (42 U.S.C.1437v), where such  
7 standards are determined to be cost effective by the Secretary of Housing  
8 and Urban Development.”; and

9 (B) in paragraph (2), by striking “Council of American” and all that  
10 follows through “90.1–1989”)” and inserting “2000 International Energy  
11 Conservation Code”;

12 (2) in subsection (b)—

13 (A) by striking “1 year after the date of the enactment of the Energy  
14 Policy Act of 1992” and inserting “September 30, 2003”; and

15 (B) by striking “CABO” and all that follows through “1989” and inserting  
16 “the 2000 International Energy Conservation Code”; and

17 (3) in subsection (c)—

18 (A) in the heading, by striking “MODEL ENERGY CODE” and inserting  
19 “INTERNATIONAL ENERGY CONSERVATION CODE”; and

20 (B) by striking “CABO” and all that follows through “1989” and inserting  
21 “the 2000 International Energy Conservation Code”.

22 **SEC. 639. ENERGY STRATEGY FOR HUD.**

23 The Secretary of Housing and Urban Development shall develop and implement an  
24 integrated strategy to reduce utility expenses through cost-effective energy conservation and  
25 efficiency measures and energy efficient design and construction of public and assisted housing.  
26 The energy strategy shall include the development of energy reduction goals and incentives for  
27 public housing agencies. The Secretary shall submit a report to Congress, not later than one year  
28 after the date of the enactment of this Act, on the energy strategy and the actions taken by the  
29 Department of Housing and Urban Development to monitor the energy usage of public housing  
30 agencies and shall submit an update every two years thereafter on progress in implementing the  
31 strategy.